

Ex.C

(2 of 4)

1 WILHELMENIA TAYLOR

2 Q As illustrated?

3 MS. TAYLOR: Do you need an  
4 illustration to answer the question?

5 THE WITNESS: I'm not sure if I can  
6 answer the question even with the  
7 illustration. My focus has always been on  
8 the AP part of the illustration, the  
9 premium outlay area. }

10 I need the question restated again.

11 MS. TAYLOR: I also don't want you to  
12 speculate, Ms. Taylor. We are going to be  
13 producing a witness or witnesses regarding  
14 illustration. If you don't have the  
15 specific knowledge of that component of  
16 illustrations --

17 THE WITNESS: I don't have that.

18 MR. BARTHOLOMAEI: I'm asking about  
19 Accelerated Payment Plan illustrations. I  
20 understand this may come up in a different  
21 deposition as well.

22 Q My question is, you may be able to  
23 answer it, you may not be --

24 A I'm clear now.

25 Q Whether it is possible for a policy,

1 WILHELMENIA TAYLOR

50

2 like you said, sold sometime in the '80s, to  
3 perform as illustrated once there is a reduction  
4 in the dividend scale by Metropolitan Life?

5 MS. TAYLOR: Objection to form. I  
6 think the term you are using, to perform as  
7 illustrated, is ambiguous, I really do. I  
8 don't understand what that means.

9 MR. BARTHOLOMAEI: I can define it.

10 MS. TAYLOR: If you are asking if you  
11 have one illustration there is a change in  
12 the dividend scale up or down, if you  
13 reillustrate during the following year,  
14 doing an inforce illustration, will they be  
15 identical?

16 MR. BARTHOLOMAEI: My question is  
17 whether what is given to policyholders at  
18 the time of sale, an illustration, is going  
19 to hold true, one, three years later they  
20 can look at whatever year is being  
21 illustrated and the number is accurate if  
22 there is a change in the dividend scale.

23 THE WITNESS: I can't say --

24 A If the dividend scale goes up or down  
25 and what is shown to a customer sometime after

1 WILHELMENIA TAYLOR 51

2 that illustration is prepared, can either be the  
3 same or different; I really don't know.

4 Now that I understand your question  
5 better.

6 Q How was it possible it could be the  
7 same?

8 A How is it possible the illustration  
9 can be the same?

10 MS. TAYLOR: I think the question is  
11 beyond just an AP eligibility issue. He is  
12 getting into every possible figure on that  
13 illustration. I don't know Ms. Taylor  
14 would know about every specific detail of  
15 the AP illustration.

16 THE WITNESS: I basically told Mark  
17 my focus was on the premium outlay area of  
18 the illustration and how dividends may or  
19 may not affect the year in which that  
20 happened.

21 I'm getting a little bit confused.

22 MS. TAYLOR: I think she can discuss  
23 an AP illustration in terms of the impact.

24 MR. BARTHOLOMAEI: I'll get to that.

25 MS. TAYLOR: If you are getting into

1 WILHELMENIA TAYLOR

52

2 all the other specific details of that  
3 illustration that aren't focusing on the  
4 accelerated, out-of-pocket cash outlay  
5 aspect, I don't know she can answer that.

6 MR. BARTHOLOMAEI: My clients were  
7 given time, at the top it says Accelerated  
8 Payment Plan illustration. That's what I'm  
9 asking about. There is information given  
10 on those documents that is relevant on this  
11 deposition.

12 MS. TAYLOR: Do you have an  
13 illustration with you? Maybe it would help  
14 if you have one in front of her.

15 MR. BARTHOLOMAEI: I don't want to  
16 ask about specific cases either.

17 MS. TAYLOR: At least if she had it  
18 in front of her --

19 MR. BARTHOLOMAEI: I think I  
20 understand her answer and want to ask some  
21 questions about the AP year and  
22 illustrations as well.

23 Q Maybe you can answer those a little  
24 bit easier.

25 At some point after 1992, did it

1 WILHELMENIA TAYLOR

53

2 become -- I know I asked this question before. I  
3 just wanted a clear answer given what we talked  
4 about.

5 At some point after 1992, did it  
6 become impossible that the AP year would be the  
7 same as any policy that had been sold prior to  
8 1992 using an Accelerated Payment Plan

9 illustration?

10 MS. TAYLOR: Objection as to form.

11 A What did become impossible?

12 Q The policy, the AP year remain the  
13 same?

14 MS. TAYLOR: Didn't she already  
15 answer that in terms of giving examples,  
16 there could be situations of policies sold  
17 in the early '80s?

18 MR. BARTHOLOMAEI: I'm talking about  
19 up until today.

20 MS. TAYLOR: I just want to remind  
21 Ms. Taylor not to speculate. There are so  
22 many variables that go into that.

23 MR. BARTHOLOMAEI: I agree.

24 MS. TAYLOR: I don't know she has a  
25 specific chart that tell us her every

1 WILHELMENIA TAYLOR

2 specific policy.

3 Q Was there a determination made at  
4 Metropolitan Life that all of the AP or all the  
5 policies you sold prior to 1992 using AP  
6 illustrations were not going to perform as  
7 illustrated?

8 MS. TAYLOR: Objection as to form.

9 Q With respect to the AP year?

10 A I don't believe so.

11 Q Do you know as of today what  
12 percentage of policy are not going to perform with  
13 respect to the AP year as illustrated prior to  
14 1992?

15 MS. TAYLOR: Objection as to form.

16 Q Do you know the amount of policies  
17 that are not going to perform as illustrated with  
18 respect to the AP year that were sold prior to  
19 1992?

20 A No.

21 Q Was a study ever done to that effect  
22 sometime after 1992 as to the amount of policies  
23 that would not perform with respect to the AP year  
24 as a result of the reduction, the dividend scale  
25 at Metropolitan Life?

1 WILHELMENIA TAYLOR

2 A I believe in a review of the  
3 documents preparing for the deposition there was a  
4 document that discussed the number of policies  
5 that may or may not be eligible for AP based on a  
6 dividend scale reduction. I'm not exactly sure  
7 what year it was. There was a document there.

8 MS. TAYLOR: We'll get to that  
9 eventually.

10 Q Do you recall generally if there was  
11 a percentage or number?

12 A No, it was in the document, the  
13 number.

14 MS. TAYLOR: I think there may have  
15 been more than one document, Mark, as I  
16 recall. A couple over time.

17 (Letter, December 17, 1992,  
18 Kathy Schoos to LaBadia is received and marked  
19 Taylor 3 for identification)

20 MR. BARTHOLOMAEI: For the record,  
21 what I have just marked as Taylor Exhibit 3  
22 is a December 17, 1992 letter from Kathy  
23 Schoos to Tom LaBadia. The Bates number is  
24 MP 4011070959.

25 Q Ms. Taylor, is this something you

1 WILHELMENIA TAYLOR

56

2 have seen before?

3 MR. LABOVITZ: Is this another  
4 document that is not in the deposition  
5 topic list? I don't believe the Bates  
6 number you indicated is on the list.

7 MS. TAYLOR: I'm not sure whether it  
8 is or not. I have copies here for people  
9 who are here.

10 MR. LABOVITZ: Certainly given the  
11 fact you prepared a lengthy list of  
12 deposition topics and distributed that to  
13 counsel; it does not seem to make sense to  
14 now provide documents that are not on such  
15 a list.

16 MS. TAYLOR: There is no obligation  
17 for me to provide copies of documents that  
18 I'm going to be using at a deposition to  
19 people that are not here at the deposition  
20 and the list that I sent out in no way  
21 represented that was the entire field of  
22 documents that would be used at these  
23 depositions. I think actually it  
24 represented to the contrary.

25 I did bring enough for anybody that

CITTORE REPORTERS  
(212)286-9122

1 WILHELMENIA TAYLOR 57

2 would come here to the deposition today.

3 MS. TAYLOR: What I can do is when we  
4 take a break I can fax to Clair's office a  
5 copy of Exhibits, Taylor 2 and Taylor 3.

6 Mark, if you know there are others  
7 you are going to mark, during the lunch  
8 break I can fax those others, if you know,  
9 Even if they are not premarked. I can fax  
10 one of the sets to them.

11 MR. LABOVITZ: We would appreciate  
12 that and that is a good suggestion, Penny.

13 Q Is this something you had seen  
14 before?

15 A I don't remember seeing this before.  
16 I could have, but I don't recall it.

17 Q In the paragraph that begins with "We  
18 strongly", the last sentence says, referring to  
19 policyholders, says:

20 "So, when they are told their policy  
21 is no longer eligible for AP due to lowered  
22 dividend scales or dividend withdrawals, they  
23 almost immediately start to complain or accuse the  
24 sales representative of lying."

25 Is that something that was told to

1 WILHELMENIA TAYLOR

2 the natural work team in response to  
3 policyholders, the information given to them, that  
4 the individual policy may or may note be eligible  
5 for AP due to dividend scale withdrawals?

6 A No. I don't remember what you just  
7 read being passed onto the AP natural work team.

With respect to the reps lying,  
dividend withdrawals typically at Metropolitan  
Life meant a customer made a withdrawal of their  
policy.

12 So no.

13 Q This is referring to, the second  
14 sentence, to a memorandum from Mr. Rayl.

15 Is that something you are familiar  
16 with?

17 A Is that the memorandum we just looked  
18 at.

19 MS. TAYLOR: She already testified  
20 she didn't recall seeing it previous to  
21 perhaps just the prep for this dep.

22 A If that's the one you are talking  
23 about, yes.

24 . (Letter, December 11, 1992,

25 Schramm to Duffy, plus attachments, is received

1 WILHELMENIA TAYLOR

2 and marked Taylor 4 for identification)

3 MR. BARTHOLOMAEI: What I have just  
4 marked as Taylor Exhibit 4 is a cover  
5 letter from Richard Schramm to Pamela Duffy  
6 dated December 11, 1992 which attaches Mr.  
7 Rayl's November 7, 1992 memorandum to Mr.  
8 LaBadia that was discussed in the last

9 Exhibit. Bates number MP 4011070960  
10 through 70964.

11 Q Looking at this, I was perhaps  
12 confused. I don't think the last document we  
13 looked at was Mr. Rayl's memorandum referred to, I  
14 think this is. That's why I asked if you remember  
15 familiar with Mr. Rayl's memorandum which is the  
16 second and third page of what I just marked as  
17 Taylor Exhibit 4.

18 Are you familiar with this memorandum  
19 of Mr. Rayl to Mr. LaBadia?

20 A No?

21 MS. TAYLOR: The one dated November  
22 7?

23 MS. TAYLOR: Right.

24 Q This isn't something you have seen  
25 before?

1

WILHELMENIA TAYLOR

60

2 A No, I don't recall seeing this  
3 before.

4 Q Do you know if any consideration was  
5 given to the proposals of Mr. Rayl in this  
6 memorandum by members of either the natural work  
7 team or members of management at Metropolitan  
8 Life?

9 A I'd have to review this whole  
10 memorandum. I'm not sure what's being stated in  
11 this memorandum.

12 Unless there are things Mr. Rayl is  
13 saying that wind-up being implemented by the  
14 natural work team, Mr. Rayl was not part of the  
15 natural work team. I don't recall seeing this  
16 memorandum. Is there any part of the memo you  
17 want to ask me about specifically?

18 Q What I want to know, because you're  
19 here to testify on behalf of the corporation,  
20 whether the issues addressed in this memorandum  
21 specifically addressed by Mr. Rayl were taken into  
22 consideration, whether any policy was implemented  
23 as a result of this memorandum specifically?

24 MS. TAYLOR: I think she already  
25 testified she has no recollection of ever

1 WILHELMENIA TAYLOR

61

2 seeing this memorandum nor does she have a  
3 recollection of the natural work team  
4 receiving it. Whether there may have been  
5 things he raised in here that are dealt  
6 with and responded to is a completely  
7 different question. What is your question?  
8 Whether specifically in response to this  
9 memo?

10 MS. TAYLOR: Whether the company  
11 implemented any type of policy or policy  
12 change.

13 MS. TAYLOR: He is saying in specific  
14 response to this memo.

15 THE WITNESS: I have to try to read  
16 it.

17 MS. TAYLOR: I think she doesn't know  
18 the answer to that.

19 Q Who is Pamela Duffy?

20 A Pamela Duffy was a vice president  
21 that was, I believe back in 1992, she was in  
22 charge of the marketing area.

23 Q What does that mean, she was in  
24 charge of the marketing area?

25 A Marketing of personal insurance

1 WILHELMENIA TAYLOR

62

2 policies. I think the department was called  
3 Product Planning.

4 Q You were part of that department at  
5 one time; is that right?

6 A Yes.

7 Q Do you know who Barbara Gardner is?

8 A I believe during that time Barbara

9 Gardner may have been in charge of the customer  
10 service centers.

11 (RECESS TAKEN.) (AFTER RECESS.)

12 (Letter, December 23, 1992,

13 Rayl to Martin, plus attachments, is received and  
14 marked Taylor 5 for identification).

15 MR. BARTHOLOMAE: What I have just  
16 marked as Taylor deposition Exhibit 5 is a  
17 letter from Jim Rayl to David Martin dated  
18 December 23, 1992 which attaches some other  
19 documents and the Bates numbers are MP  
20 4011071027 through 71029.

21 Q Ms. Taylor, if you need a minute to  
22 look at this, please take a minute and I'll ask  
23 you if you have seen this letter before from Mr.  
24 Rayl, the first page of the Exhibit?

25 A No, I don't recall.

1 WILHELMENIA TAYLOR

63

2 Q Do you know with who Mr. Martin is,  
3 other than what it says on the document?

4 A That's the extent of what I know his  
5 title, he was in charge of the mid America  
6 territory.

7 Q Do you know if any consideration was  
8 given by Metropolitan Life to this specific letter  
9 from Mr. Rayl with respect to problems concerning  
10 the AP year and that policies were being, excuse  
11 me, policyholders were being told their policies  
12 would be paid-up?

13 MS. TAYLOR: Objection as to form?

14 A I'm reading it now.

15 Q Is this something that was considered  
16 by either the natural work team or any other  
17 department of Metropolitan Life with respect to  
18 the issues that are described here, this  
19 particular letter I'm referring to now?

20 MS. TAYLOR: Objection as to form,  
21 lack of foundation.

22 A There is a lot of things being  
23 discussed in this memo. Is there one particular  
24 thing you are asking me?

25 Q Mr. Rayl generally is talking about

## WILHELMENIA TAYLOR

64

2 policyholders being told once the AP took effect  
3 their policies would be paid-up. That's in the  
4 first paragraph.

5 Then he goes onto talk about, in the  
6 second paragraph, these situations are now  
7 occurring on policy that are supposed to become  
8 paid-up and will impact in the future when

9 policies will not have sufficient dividend  
10 balances to cover all future payments.

11 The last sentence says:

12 "I am much more concerned about the  
13 potential impact it could have on our future  
14 marketing efforts if we don't attempt to address  
15 this issue with our policyholders soon."

16 The question I asked, is this letter  
17 talking about these issues considered by  
18 Metropolitan Life or the natural work team as a  
19 warning of what was to come in the future with  
20 respect to Accelerated Payment Plan policies?

21 MS. TAYLOR: Objection to form. She  
22 can speak to the Actual Work team. There  
23 are so many people in the company, I don't  
24 know if she knows whether there was one  
25 person out of hundreds that might have

1 WILHELMENIA TAYLOR

2 responded to this.

3 A With respect to the natural work  
4 team, the consumer brochure, ABC's dividends,  
5 Accelerated Payment brochure, my recollection is  
6 they both discussed the policies were not,  
7 quote/unquote, paid-up. That's the extent to  
8 which I can recollect. I believe there were

9 articles in a publication called Metropolitan Life  
10 Outlook that discussed the Accelerated Payment  
11 arrangement in effect the policy wasn't paid-up.

12 Those are the things I can recollect  
13 on how the company spoke to the situation paid-up  
14 versus the Accelerated Payment arrangement.

15 Q Can you tell me whether this letter  
16 was considered?

17 A I don't recall ever seeing this  
18 letter.

19 (Letter, Rayl to Schoos,  
20 December 31, 1992, is received and marked Taylor 6  
21 for identification)

22 MR. BARTHOLOMAEI: What I have just  
23 marked as Taylor deposition 6 is a one-page  
24 letter from Mr. Rayl dated December 31,  
25 1992 to Kathy Schoos Bates number MP

1

WILHELMENIA TAYLOR

66

2 4011071025.

3 Q What I want to ask you about is  
4 specifically in the first paragraph in this  
5 letter. It's referring to in the second sentence.  
6 It says:

7 "In one of my conversations with Tom,  
8 he indicated that the 'marketing' people felt that  
9 the number of representatives using the term  
10 'paid-up' was limited to a very small number.  
11 Needless to say, I disagreed with this and have  
12 been trying to illustrate that this is not the  
13 case."

14 The question I have, was any study  
15 done of the number of representatives that have  
16 been using the term "paid-up" during the point of  
17 sale process?

18 MS. TAYLOR: Objection as to form. I  
19 do again want to reiterate Ms. Taylor would  
20 not have knowledge, for instance, of any  
21 investigations or studies that might have  
22 been conducted by auditing or by people in  
23 customer relations because her area, she  
24 was not in the consumer complaint area.

25 Q What I am referring to, specifically

1 WILHELMENIA TAYLOR 67

2 it says he indicated the number of marketing  
3 people, the number of reps indicating the number  
4 of paid-up was a very small number.

9 insureds?

10 MS. TAYLOR: Object to form.

11                   A     I'm not aware of any study. In  
12 reading the document you just gave me, in the  
13 second paragraph, Mr. Rayl goes on to say, he  
14 assumed it was Dave that felt the term "paid-up"  
15 was not widespread.

16 There are a lot of opinions going on  
17 here. I wasn't aware of any study or  
18 investigation.

19 Q Have you seen this letter before?

20 A I don't recall seeing this letter  
21 before

22 (Letter, January 12, 1993.)

23 LaBadia to Lynch, one page, is received and marked  
24 Taylor 7 for identification)

25 MR. BARTEHOLOMÆI: What I have just

1 WILHELMENIA TAYLOR

2 marked as Taylor deposition 7 is a January  
3 12, 1993 letter from Tom LaBadia to Frank  
4 Lynch. Bates number is MP 4011070957.

5 Q Ms. Taylor, have you had an  
6 opportunity to review this document?

7 A Yeah, I just did.

8 Q Let me ask you first, is this  
9 something you have seen before?

10 A No, I don't remember seeing this  
11 before.

12 Q The second paragraph, it's referring  
13 to a proposal to retest all policies on APP and  
14 notify all of those who no longer pass the  
15 eligibility test.

16 Is that something that was done at  
17 Metropolitan Life or was that a policy that was  
18 implemented?

19 A I don't recall that being  
20 implemented.

21 Q Was that something that was given  
22 consideration?

23 A I guess so. This memo is basically  
24 saying they considered it.

25 Q Why wasn't that done?

1 WILHELMENIA TAYLOR 69

2 A I don't know why it wasn't done.

3 Q Is there any study done or  
4 investigation into this proposal and whether it  
5 should be implemented at Metropolitan Life?

6 A Reading this document, it appeared  
7 that Tom LaBadia is basically saying in lieu of  
8 what Mr. Rayl was suggesting that there be some  
9 educational material.

10 I don't know how that determination  
11 came about.

12 Q Do you know who Frank Lynch is other  
13 than what it says in the document?

14 A Basically he was in charge of the  
15 customer service area.

16 Q For the whole company?

17 A I believe so.

18 (Letter, January 19, 1994, Rayl  
19 to Crimmins is received and marked Taylor 8 for  
20 identification)

21 MR. BARTHOLOMAEI: What I have just  
22 marked as Taylor deposition 8 is a January  
23 19, 1994 correspondence from Mr. Rayl to  
24 Bob Crimmins. The Bates numbers are MP  
25 4011071018 through 71023.

1 WILHELMENIA TAYLOR 70

2 Q Ms. Taylor, I know this is a somewhat  
3 lengthy document again with very small print. I  
4 want to ask you first, is this something you  
5 reviewed in preparation for the deposition or  
6 something you have also seen before today?

7 A I hadn't seen it before today. I  
8 don't recall seeing this. I don't recall.

9 Q I don't want you necessarily to go  
10 through it, we'll be sitting here for another  
11 hour.

12 Can you tell me whether this specific  
13 document was given any consideration by either the  
14 natural work team or members of management at  
15 Metropolitan Life with respect to any policies  
16 which related to the Accelerated Payment Plan?

17 MR. BARTHOLOMAEI: Objection as to  
18 form. Lack of foundation.

19 Q I'm talking about company policies,  
20 not life insurance policies.

21 MS. TAYLOR: I want to reiterate  
22 again. While Ms. Taylor can answer as to  
23 whether this was something she recalls the  
24 natural work team seeing, that's a  
25 different issue than knowing whether anyone

1 WILHELMENIA TAYLOR 71

2 in the company, which consists of hundreds  
3 of employees, might consider this.

4 MR. BARTHOLOMAEI: I think I limited  
5 my question to the natural work team or  
6 members of management. I understand it  
7 could be hundreds of people. If she knows,  
8 she knows.

9 MS. TAYLOR: Members of management I  
10 think is vague also. I don't know what you  
11 mean by members of management. There are a  
12 lot of people in management.

13 Again, are you asking about this  
14 specific document?

15 MR. BARTHOLOMAEI: Right.

16 MS. TAYLOR: Not generally, topics  
17 that are mentioned generally?

18 MR. BARTHOLOMAEI: Correct.

19 MS. TAYLOR: This specific document?

20 MR. BARTHOLOMAEI: Correct.

21 A I have no recollection of the natural  
22 work team connected with this document, nor do I  
23 know if anyone else who might have received it  
24 made any policy changes that I know of. Never saw  
25 it before. Don't recall seeing it.



1 WILHELMENIA TAYLOR

73

2 you're going to do that, at least identify  
3 documents you intend to use. This witness  
4 spent a lot of time in reviewing documents  
5 that are never going to be marked at this  
6 deposition.

7 MR. BARTHOLOMAE: I understand. In  
8 response to that, what we did, we

9 identified documents which had been  
10 identified by Metropolitan Life as the  
11 range of documents which supposedly related  
12 to the Accelerated Payment Plan, likewise  
13 with the FIP from your letters. You sent  
14 us letters saying here are documents,  
15 whatever the documents happen to relate to.

16 I have other documents here that were  
17 in that group. I don't know whether the  
18 ones I marked so far have or have not been  
19 in that group. I wanted to give people the  
20 idea of what we were asking about, trying  
21 to be considerate.

22 In the future you don't want us to  
23 designate a range ahead of time, we could  
24 do that.

25 MS. TAYLOR: If you are expecting a

CITITONE REPORTERS  
(212)286-9222

1 WILHELMENIA TAYLOR

74

2 witness to review things and asking a  
3 witness to take the time to do that, please  
4 hone in on the documents you truly expect  
5 to mark because it's a waste of the  
6 witness' time to go through a bunch of  
7 materials that aren't going to be marked.  
8 We did that to try to expedite the  
9 deposition.

10 What's happening virtually none of  
11 those documents are being used and  
12 everything, I'm saying with the exception  
13 of Taylor 1 and perhaps another document,  
14 was not even identified. Let's just move  
15 on.

16 MR. BARTHOLOMAEI: Okay. I'll just  
17 say it wasn't something that was  
18 intentional, asked the witness to review  
19 things I wasn't going to use.

20 Like I said, these were things I  
21 thought were the comprehensive universe of  
22 APP documents. I realized there are things  
23 that came up after I sent you the list that  
24 were going to be used. That maybe the  
25 case.

1 WILHELMENIA TAYLOR

75

2 MS. TAYLOR: Again identifying 150  
3 plus documents and asking the witness to  
4 look at those to expedite, this witness  
5 spent over a day and a half reviewing all  
6 those documents. What I'm saying is, it  
7 was really for no purpose whatsoever. It  
8 was almost a complete waste of time.

9 She tried to comply with your  
10 request, despite the short notice and  
11 identification, and took time out of her  
12 business day, a lot of time, to sit down  
13 and look at that stuff.

14 MR. BARTHOLOMAEI: Fine. In the  
15 future we would not identify the documents  
16 then if that's what you want.

17 MS. TAYLOR: The fact is you are  
18 identifying them and asking the witness to  
19 look at them and then you're not using  
20 them.

21 MR. BARTHOLOMAEI: We've gone through  
22 eight Exhibits. Out of the eight I used,  
23 two that were identified prior to the  
24 deposition today. I have a lot more  
25 documents here I planned to use and perhaps

1 WILHELMENIA TAYLOR

2 some of those on the list. I apologize if  
3 all of the documents haven't been on the  
4 list. Some of has, some hasn't.

5 Like I represented to the people in  
6 Pittsburgh, the items on the list weren't  
7 always comprehensive to the documents I  
8 would be using at the deposition. I  
9 apologize Ms. Taylor had to take time to  
10 review all these documents. At that time I  
11 had not completely determined which ones  
12 would be used. Let's keep going with the  
13 deposition.

14 Q Is this something you have seen  
15 before, Ms. Taylor?

16 A I don't recall seeing this document.

17 Q On the second page, it refers to some  
18 proposed strategies. It gives a couple of  
19 alternatives there. The second one says:

20 "More complete and direct  
21 notification to UL policyholders who may not be  
22 aware that their policies may not be supported by  
23 the planned, target premium and/or present cash  
24 flow into the accumulation fund."

25 The question I have is whether any

1 WILHELMENIA TAYLOR 77

2 different information or specific information was  
3 gathered with respect to people who had bought  
4 universe life policies in connection with the  
5 Accelerated Payment Plan?

6 MS. TAYLOR: Objection as to form. I  
7 think you have a misunderstanding or you  
8 are just not properly asking the question.

9 If you're talking about universal  
10 life policies in terms of Accelerated  
11 Payment illustrations, I'm going to  
12 instruct the witness not to answer because  
13 Accelerated Payment Arrangement by its  
14 nature can only apply to whole life  
15 policies. It cannot apply to universal  
16 life policies in that they are not  
17 participating policies in which dividends  
18 are paid.

19 Q Let me ask you a question then. Were  
20 Accelerated Payment Plan illustrations used to  
21 sell term-life insurance policies?

22 MS. TAYLOR: Objection.

23 A The Accelerated Payment Arrangement  
24 illustrations were used only in conjunction with  
25 whole life policies.

1 WILHELMENIA TAYLOR

2 Q Not used for universal life policies  
3 either?

4 MS. TAYLOR: Objection as to form.

5 A Accelerated Payment Arrangement

6 illustrations were to be used in conjunction with  
7 universal life policies.

8 Q Was it improper according to

9 Metropolitan Life policy for a sales  
10 representative to use an Accelerated Plan  
11 illustration in connection with universal life  
12 policy?

13 MS. TAYLOR: Objection as to form. A  
14 couple policies at the same time?

15 MR. BARTHOLOMAEI: Someone used an  
16 Accelerated Payment Arrangement to sell a  
17 universal policy.

18 MS. TAYLOR: I don't understand that.  
19 You can even generate one for a UL policy.

20 MR. BARTHOLOMAEI: I guess that's the  
21 answer.

22 A You are using the word "to sell".

23 Q If someone sold someone a universal  
24 life policy and handed them an illustration that  
25 SAID Accelerated Payment at the top, was that

1 WILHELMENIA TAYLOR 79

2 contrary to Metropolitan Life policy?

3 A It's contrary to Metropolitan Life  
4 policy to provide a prospect with an illustration  
5 for or a policy for which that illustration could  
6 not be created.

7 Q Were Metropolitan Life  
8 representatives permitted to sell policies using  
9 illustrations which used the term "vanishing  
10 premium" on them?

11 A I don't recall that. I don't recall  
12 using the words "vanishing premiums," part of the  
13 text included in the illustration.

14 Q What I'm asking is whether it was  
15 improper according to Metropolitan Life policy for  
16 sales representatives to use illustrations during  
17 the course of a sale which used the term  
18 "vanishing premium" on them?

19 MS. TAYLOR: Objection as to form.

20 It assumes facts that haven't been  
21 established.

22 Q I'll phrase it a different way. Were  
23 representatives permitted to use illustrations  
24 that contained the term "vanishing premium"?

25 A I have to limit my response to the

1

WILHELMENIA TAYLOR

80

2 illustrations that I have seen with respect to  
3 the, that I know about, with respect to the  
4 Accelerated Payment Arrangement.

5 I don't recall any use of the word  
6 "vanishing premium" on those illustrations. If  
7 representatives were using something other than  
8 the company produced illustrations, it was my

9 understanding they should be using what the  
10 company provided and I don't recall seeing those  
11 words on the illustration.

12 Q I understand you don't have a  
13 personal recollection of that or that being used.

14 My question, I think it's a pretty  
15 simple question, you are here to testify on behalf  
16 of the company. You may or may not know the  
17 answer to the question, maybe someone else would  
18 know.

19 I want to know if there was a company  
20 policy that illustrations were not to be used  
21 which contained the term "vanishing premium" on  
22 them?

23 A I'm not aware of a company policy  
24 that specifically said that. I'm not aware.

25 Q It was possible then or allowable for

CITITONE REPORTERS  
(212)286-9222

1

WILHELMENIA TAYLOR

81

2 a sales representative to use an illustration  
3 which used the term "vanishing premium"?

4 MS. TAYLOR: Objection as to form.

5 You are mischaracterizing his testimony,

6 Mr. Bartholomaei. She is saying its

7 company policy you use authorized

8 illustrations. She's not aware of

9 authorized illustrations that use that

10 language. She did not say they were

11 permitted to use it.

12 Q If a sales representative used an  
13 illustration which contained the term "vanishing  
14 premium," would that be improper?

15 A I think for a representative to use  
16 an illustration that had terminology on it, it  
17 wouldn't be a company approved illustration. I  
18 don't think that would be proper that a  
19 representative should be using an illustration not  
20 approved for use by the company. That's my  
21 response.

22 Q Was it permitted that that sales  
23 representatives could use other company  
24 illustrations which contained the term "vanishing  
25 premium" when selling a product of another

1 WILHELMENIA TAYLOR

82

2 company?

3 MS. TAYLOR: Objection as to form.

4 A I'm not aware, I'm not aware of or  
5 know of company policy with respect to  
6 representatives selling other than Metropolitan  
7 Life policies.

8 Q You are saying you are not aware of  
9 what the policy is or whether there was such a  
10 policy?

11           A       It was my understanding that  
12   Metropolitan Life representatives were to sell  
13   Metropolitan Life policies, that that was the  
14   policy.

15 Q Do you know who Mr. Tweedy was?

16 A Yes, basically.

17 Q. Who was he?

18 A At some point in time he was in  
19 charge of the Personal Insurance Department I  
20 believe. Personal Insurance Department.

21 Q. What does that mean?

22. A. There was a department --

## 23 Q A line of business?

24 A Yes, called Personal Insurance.

**(Letter, April 14, 1994)**

1 WILHELMENIA TAYLOR

2 Wilhelmenia Taylor to Greg Doby, plus attachments,  
3 is received and marked Taylor 10 for  
4 identification)

5 MR. BARTHOLOMAE: What I have just  
6 marked as Taylor deposition 10 is a  
7 document which contains a cover letter from  
8 Ms. Taylor dated April 14, 1994 to Greg  
9 Doby which attaches a memorandum from Mr.  
10 Rigby to Mr. Doby which is dated January  
11 11, 1994. The Bates numbers are MP  
12 4011070949 through 70955.

13 Q I think this may have been one of the  
14 documents you were referring to earlier, is that  
15 right? It talks about the number of policies  
16 falling off APP status. Do you see the last page  
17 where it talks about that?

18 A Yes, I see it.

19 Q Is this a document you reviewed in  
20 preparation of the deposition today?

21 A Yes.

22 Q On the first page you are writing a  
23 cover letter to Mr. Doby, is that right, letter to  
24 Mr. Doby?

25 A Yes.

1 WILHELMENIA TAYLOR 84

2 Q What was the reason for sending a  
3 letter to Mr. Doby? I'm asking why you sent it to  
4 Mr. Doby in particular?

5 A Mr. Doby was my supervisor.

6 Q At the time?

7 A At the time, yes.

8 Q What was the response to this letter  
9 or was there a response?

10 A It's my recollection, although I  
11 don't believe it was written, that plans were put  
12 into place to offer policyholders some options  
13 with respect to how their premiums could be paid,  
14 either in lieu of the Accelerated Payment  
15 Arrangement or using the Accelerated Payment  
16 Arrangement.

17 Q Is that a decision that was made by  
18 Mr. Doby?

19 A It's my recollection that it was a  
20 decision that was, at least it was implemented by  
21 way of the natural work team as part of its review  
22 of communications to customers, including the  
23 anniversary statements and notice of payments due,  
24 as well as any alternatives to paying the premiums  
25 by way of the Accelerated Payment Arrangement.

1 WILHELMENIA TAYLOR

2 Q What I'm referring to specifically on  
3 this letter that you wrote, I'm paraphrasing it.

4 It says, the changes could be made in  
5 two to three months for a cost of \$45,000 or if we  
6 are to do them in the fall it will cost \$10,000  
7 less. Please let me know how to proceed.

8 What was the response from Mr. Doby,  
9 if any?

10 A It's my recollection the change was  
11 concluded in the fall.

12 Q What was the reason for doing the  
13 change in the fall versus the ensuing two to three  
14 months?

15 A I believe there is either documents  
16 or a document that speaks to the reason for  
17 including this change as part of an entire  
18 portfolio revision, I believe. It's in the list  
19 of documents and speaks to some other priorities  
20 in that it may be more efficient to do it then  
21 than separate. It's a document where I think Tom  
22 LaBadia was writing Greg Doby.

23 Q What do you mean by more efficient?

24 A You can make it a change when you are  
25 doing other things or do it separately.

1 WILHELMENIA, MAY 1886 86

86

2 It's my recollection, Tom's response  
3 to Greg outlining the reasons wanting or  
4 suggesting it be done in the fall. It's my  
5 recollection Greg agreed to it being done in the  
6 fall.

7 Q Basically to save money, is that what  
8 you are saying?

9 A No.

10 MS. TAYLOR: Objection as to form

11 Q When you said you could do it at the  
12 same time as other things --

13 A I believe that document clearly  
14 outlines the reasons for waiting until fall rather  
15 than doing it then. I don't remember what the  
16 reasoning was. I think it might have been some  
17 resource issues as well.

18 Q What does that mean, resource issues?

19 A People to work on the change.

20 Q Maybe we'll get to that later on.

21 Of these proposed, you refer to them  
22 as APP alternatives, which ones were actually  
23 implemented by the company of the ones that are  
24 detailed in this memorandum or were they all  
25 implemented? I don't know if you can tell me that

1 WILHELMENIA TAYLOR 87

2 generally. I don't want to go through sentence by  
3 sentence through this document. This is something  
4 you have seen or reviewed prior to today.

5 A I believe we spoke about this  
6 earlier, that some of these options outlined in  
7 this memo did get implemented sometime after the  
8 date of this memo, sometime after 1994. There is  
9 also documents there that refer to, I believe it's  
10 called an APP Options Program or something  
11 similar.

12 Q The second, third, fourth and fifth  
13 pages of this Exhibit is something you wrote, is  
14 that right?

15 A Yes.

16 MS. TAYLOR: Which pages?

17 MR. BARTHOLOMAEI: Second, third,  
18 fourth and fifth.

19 A Number four?

20 Q Of the Exhibit. Actually the first  
21 page too, right?

22 A Yes.

23 Q You are attaching this piece of  
24 correspondence or document generated by Mr. Rigby.  
25 What was the reason for attaching

1 WILHELMENIA TAYLOR

88

2 that document and the chart on the back of that  
3 document?

4 A I believe I attached Mike Rigby's  
5 January 11, 1994 memorandum to my memorandum  
6 because I made reference to the information on  
7 page two of the report which says:

8 "I have attached a copy of Mike's  
9 memo where Mike indicates that 83,000 policies are  
10 currently on APP as of year-end 1993 to support  
11 the suggestion on how we offer policyholders an  
12 alternative way of paying their premiums or APP  
13 eligibility testing.

14 Q At the time of the generation or  
15 creation of Mr. Rigby's memorandum, it says:

16 25,000 of the policies that were  
17 done, it's almost 82, 83,000 policies that were  
18 currently on APP had insufficient dividends and  
19 dividend balances to remain on APP.

20 Do you see that in the future status  
21 of the policies?

22 MR. TAYLOR: Object to the form. It  
23 says, for the life of the policy, also.

24 Q It says:

25 "This analysis involving 82,778

1 WILHELMENIA TAYLOR 89

2 policies and showed that 25 percent of the  
3 policies currently on APP have insufficient  
4 dividends" --

5 MS. TAYLOR: Where is that?

6 MR. BARTHOLOMAEI: Mr. Rigby's  
7 document.

8 Q Do you see that part?

9 A Yes.

10 Q At this time in 1994, was anything  
11 done by the company to contact these 20 some  
12 thousand policyholders where it is identified  
13 those policyholders had insufficient dividends and  
14 dividend balances to remain on APP?

15 MS. TAYLOR: Objection to form. I  
16 want to reiterate that's for the life of  
17 the contract.

18 MR. BARTHOLOMAEI: In his memo, he  
19 doesn't say life of the contract.

20 MS. TAYLOR: Her characterization of  
21 it. She is characterizing and concluding  
22 those numbers are based on the life of the  
23 contract.

24 Q Do you want me to repeat the  
25 question?

WILHELMENIA TAYLOR

1

2 A Yeah.

3

4 Q What I was asking was, I'm taking a  
5 rough number 25 percent of 82 or 83,000. I was  
6 asking whether the 20,000 people who were included  
7 in this study were determined that those people  
8 currently did not have enough dividends and  
dividend balances to remain on APP, were contacted  
by the company at that time?

9

10 MS. TAYLOR: Objection as to form.

11

12 A I don't believe there was a  
policyholder, customer contact of these customers  
13 that Mike's memorandum refers to and is testing  
14 they were contacted.

15

Q Why not?

16

17 A Part of how the APP Arrangement works  
is that it's a portion based on dividends and I  
18 can't -- we had experienced dividend scale  
19 reduction at that point in time and dividends  
20 could go up or down.

21

22 We had sent information to our  
representatives to tell them about contacting  
23 their customers because they would know, they  
24 would know more who would be interested being on  
25 the APP Arrangement than the company as a whole

1 WILHELMENIA TAYLOR

91

2 and we provided the educational material.

3 So it's my recollection there was no  
4 corporate contact of these customers, but that the  
5 contact was made by the Account Representatives.

6 Q The question I asked was why was  
7 there no contact with the company? I understand  
8 it suggested the sales representatives contact

9 them and there were educational materials and  
10 everything you told me so far.

11 I'm looking here at a specifically  
12 identified group of people that supposedly, there  
13 was a study done by Mr. Rigby of these roughly  
14 83,000 policies and out of those 25 percent were  
15 identified to have insufficient dividends and  
16 dividend balances to remain in APP.

17 The question I'm asking, why did not  
18 the company contact these people?

19 MS. TAYLOR: Objection as to form. I  
20 think this is a very broad question because  
21 she testified before about communications  
22 in general about Metropolitan Life Outlook.  
23 Those were sent out. There was information  
24 provided in billing statements, certain  
25 billing statements and in anniversary

1

WILHELMENIA TAYLOR

92

2

statements. This is a very, very broad  
question.

4

5

MR. BARTHOLOMAEI: I don't think it's  
a broad question and I can make it more  
specific.

7

8

Q In that these roughly 20,000 people  
who are specifically identified in this study, why  
each of those 20,000 people were not contacted by  
the company after it had been determined that  
those individual policyholders had insufficient  
dividends or dividend balances for them to remain  
on APP?

14

15

16

MS. TAYLOR: Objection as to form.

Again I think you are mischaracterizing  
these numbers.

17

18

19

MR. BARTHOLOMAEI: How am I  
mischaracterizing the numbers? I stated I  
didn't take a calculator and do a --

20

21

22

23

MS. TAYLOR: You are

mischaracterizing the aspect for the life  
of the contract. You are not making that  
clear.

24

25

MR. BARTHOLOMAEI: I'm reading it  
from this page. I can read the sentence

WILHELMENIA TAYLOR

93

2 again.

3 I want to know, however you want to  
 4 characterize it, I want to know why the 25  
 5 percent of the 82,778 policyholders were  
 6 not contacted individually by the company  
 7 once it was determined as a result of this  
 8 study that their policies had insufficient

9 dividend balances or dividends to allow it  
 10 to remain on APP?

11 MS. TAYLOR: Objection as to form.  
 12 Also these numbers are in terms of  
 13 policies, not policyholder.

14 MS. TAYLOR: I understand that as  
 15 well.

16 A I don't remember exactly. We're  
 17 looking at 1994 here. There were processes in  
 18 place that anniversary statements provided  
 19 information to the customer as to the fact their  
 20 policies could be paid by AP and if it wasn't  
 21 going to, the policies couldn't be paid by the AP  
 22 arrangement, then they asked them for additional  
 23 funds.

24 I probably could do better if I had  
 25 the anniversary statements here. There was a lot

1 WILHELMENIA TAYLOR

94

2 of information sent, included on the anniversary  
3 or annual dividend statement to the customer that  
4 gave them information as if their premiums were  
5 paid by AP and if it wasn't what the alternatives  
6 were. That was an annual processing that took  
7 place rather than doing a huge large mailing to a  
8 group of people, to this particular group of

9 people that were identified in the study Mike did.

10 I can't categorize we didn't contact  
11 customers individually when their anniversary  
12 process came up for eligibility. I don't know  
13 about a mass mailing that went out to these  
14 customers that Mike identified.

15 Q Outside of the anniversary  
16 statements, was any other contact made of that you  
17 know of?

18 MS. TAYLOR: Objection as to form.

19 What kind of contact are you talking about?  
20 Could a sales rep --

21 MR. BARTHOLOMAEI: Anybody from the  
22 Home Office pick up the phone and called  
23 each of these people and said, you know  
24 what, we just did a study and determined  
25 your policy has insufficient dividends to

1 WILHELMENIA TAYLOR 95

2 be allowed to remain on APP.

3 Q Did you know that?

4 MS. TAYLOR: Object to form.

5 A At the time he did the study he  
6 writes the 1994 dividend scale, that the study  
7 assumed certain things, that the 1994 dividend  
8 sale would continue unaltered.

9 Like I said, as far as an one-time  
10 mailing to 20,000 customers as you mentioned, I  
11 don't believe the company did a mass mailing but I  
12 believe there was information on each individual's  
13 anniversary statement as spoke to the AP  
14 eligibility.

15 Q That was the same for everybody that  
16 had AP, right, the anniversary statement contained  
17 the same information, not specific information --

18 A It spoke to their eligibility, their  
19 particular policy.

20 Q Anniversary statements are sent to  
21 every policyholder?

22 MS. TAYLOR: Objection as to form.

23 A No. Anniversary forms are sent to  
24 whole life customers and specific wording was  
25 included on notices and specific wording included

1 WILHELMENIA TAYLOR

96

2 on those on AP.

3 Q I'm referring to anniversary  
4 statements sent to every policyholder who had a  
5 policy where the policy was on APP, whether it was  
6 eligible or not, those people still received  
7 anniversary statements; right?

8 A They received anniversary statements  
9 and if they were on AP, there was specific wording  
0 on that anniversary statement that spoke to the  
1 eligibility.

12 Q I know you said there was no mass  
13 mailing done you knew about. Was there any other  
14 contact done with respect to policyholders that  
15 are mentioned in this memorandum?

16 MS. TAYLOR: I think she mentioned  
17 the other day there were also billing  
18 notices.

19 A Sales representatives. I can't speak  
20 to it.

21 Q Let me ask it this way. Outside of  
22 the anniversary statements and billing statements,  
23 was there anything else initiated from the Home  
24 Office to contact these people I just talked  
25 about, to let them know their policies had

1 WILHELMENIA TAYLOR 97

2 insufficient dividends or dividend balances to  
3 remain on APP?

4 MS. TAYLOR: Other than what she has  
5 talked about --

6 MR. BARTHOLOMAEI: I'm talking about  
7 the specific thing --

8 MS. TAYLOR: Something specifically  
9 directed to these people?

10 MR. BARTHOLOMAEI: Correct. I keep  
11 saying it over and over. Maybe I'm not  
12 clear.

13 Q I want to talk about these  
14 specifically 20,000 people.

15 Anything specifically initiated from  
16 the Home Office of Metropolitan Life to contact  
17 these specific people who owned these policies?

18 A Not in a mass mailing form.

19 Q Any form?

20 A Their annual statements, if they were  
21 operating on AP, they got a specific anniversary  
22 statement that spoke to their eligibility.

23 Q What about outside of anniversary  
24 statements?

25 A What I mentioned before, the stuff

1 WILHELMENIA TAYLOR 98

2 that was included in mailings to customers, AP  
3 brochures that representatives provided. Talking  
4 about again a mass mailing to this group, I don't  
5 recall anything.

6 Q Any kind of phone contact?

7 A Not that I know of.

8 Q Any kind of direction to the

9 individual representative who sold their policy to  
10 go out and visit them and talk to them about their  
11 policy? Do you have any knowledge of that?

12 A If you're talking about specific  
13 policy numbers or specific client names listed on  
14 this, I don't recall that. Overall  
15 representatives, just what you said, for AP  
16 customers.

17 Q The last page of this document, there  
18 is a chart, number of policies by year falling off  
19 AP status.

20 This is something you've seen before?

21 A Yes.

22 Q Is this something you can interpret  
23 for me as far as what this chart shows? I  
24 understand the title of the chart. It gives year,  
25 starts with the year 1994 up to 2018. On the

1 WILHELMENIA TAYLOR 99

2 priority there is a number.

3 Can you tell me why the number starts  
4 to increase and decrease at the end, what's the  
5 significance of this chart?

6 MS. TAYLOR: Objection as to form.

7 It's a compound question. She can only  
8 give her understanding of the document.

9 She obviously didn't prepare it.

10 A I believe the table is showing, for  
11 example, in 1994, 517 policies based on the  
12 testing criteria that might use that would fall  
13 off APP status.

14 I'm not sure if that's helpful or  
15 not.

16 Q There is a total of we talked about  
17 earlier, 20 some thousand odd people, that fall  
18 off of APP status. Am I reading in a right?

19 MS. TAYLOR: Objection. She just  
20 testified she is not sure what he meant by  
21 falling-off APP status.

22 A He has a total and at the heading.

23 It says, falling off APP status.

24 I don't recall exactly. I'm looking  
25 at the memo. I don't know if he describes what

1 WILHELMENIA TAYLOR

100

2 falling off APP status means.

3 Q You attached this to your memorandum?

4 A Right.

5 Q What was your understanding of the  
6 significance of this chart?

7 MS. TAYLOR: At the time?

8 : MR. BARTHOLOMAEI: Yes.

9                   A        It's my recollection and I think I  
10               kind of outlined it on page two of my memorandum  
11               and it starts out with the first paragraph. I  
12               have attached a copy of Mike Rigby's January 11  
13               memo.

14 The point I wanted to bring out here,  
15 of those 25 percent, of those 25 percent that do  
16 not have sufficient dividends, dividend balances  
17 to remain on APP, I really stressed here the life  
18 of the contract. Meaning that it was my  
19 impression from what Mike provided that the  
20 testing included sufficiency test to see if there  
21 was enough dividend balances to pay the premiums  
22 for the entire life of the contract based on then  
23 current dividend scale.

24 Q Well, that number that was the result  
25 of Mr. Rigby's study, is that something at the

1 WILHELMENIA TAYLOR

101

2 time that surprised you or something you expected  
3 to be the case, that 25 percent of the 80 some  
4 thousand had insufficient dividends to allow them  
5 to remain on APP?

6 MS. TAYLOR: Objection as to form.

7 A I don't recall having an expectation  
8 of what the number would be. I can't say it  
9 surprised me or didn't surprise me. Mike did a  
10 test, he did a study and came back with the  
11 information.

12 Q You didn't look at it and say, wow,  
13 25 percent, that's a high number, or, wow, that's  
14 something that's unexpected?

15 MS. TAYLOR: Objection as to form.  
16 That's asked and answered. Compound  
17 question.

18 A I can't recall. I don't recall  
19 having a reaction as to wow.

20 Q Let me ask you about the paid-up.  
21 It says, however, Mike conducted a  
22 sampling of 25 such policies and 21 of the PUAR  
23 policies.

24 See that?  
25 A Yeah.